LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **WEDNESDAY**, **JULY 1, 2009**, upon the application of **J-W OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Zone**, **Reservoir A**, the Cotton Valley Zone, **Reservoir A**, and the Haynesville **Zone**, **Reservoir A**, in the Metcalf Field, Caddo Parish, Louisiana.

- 1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A.
- 2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Zone, Reservoir A.
- 3. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
- 4. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30 of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 5. To designate a unit operator of, and unit well for, each of the proposed additional units as may be appropriate.
- 6. To redefine the Cotton Valley Zone, Reservoir A, INSOFAR AND ONLY INSOFAR as to the additional unit proposed herein for that zone, as being the interval encountered between the depths 8,618' and 10,173' (electrical log measurements) in the Chesapeake Operating, Inc.-Chiggero 14-16-15H No. 1 Well, located in Section 14, Township 16 North, Range 15 West.
- 7. To redefine the Haynesville Zone, Reservoir A, INSOFAR AND ONLY INSOFAR as to the additional unit proposed herein for that zone, as being the interval encountered between the depths 10,173' and 11,619' (electrical log measurements) in the Chesapeake Operating, Inc.-Chiggero 14-16-15H No. 1 Well, located in Section 14, Township 16 North, Range 15 West.
- 8. To provide that with respect to any horizontal well drilled within the proposed unit for the Haynesville Zone, Reservoir A, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, the distance to any unit boundary and offset well will be calculated based on the distance to the nearest perforation in the well and not based on the penetration point or terminus of the well in the Haynesville Zone.
- 9. To permit Applicant to combine downhole production from the Hosston Zone, Reservoir A, the Cotton Valley Zone, Reservoir A, and the Haynesville Zone, Reservoir A, or any combination thereof, in any well drilled on the proposed additional units in which the interest in the units from which production is to be combined downhole are identical.
- 10. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 813-D, effective November 6, 2007, to the proposed additional unit for the Hosston Zone, Reservoir A.
- 11. To extend, except as in conflict herewith, the provisions of Order No. 813-C, effective November 6, 2007, to the proposed additional unit for the Cotton Valley Zone, Reservoir A.
- 12. To extend, except as in conflict herewith, the provisions of Order No. 813-B, effective November 6, 2007, as amended and supplemented by the 813-B Series of Orders, to the proposed additional unit for the Haynesville Zone, Reservoir A.
- 13. To consider such other matters as may be pertinent.
- The Hosston Zone, Reservoir A was initially defined in Order No. 813-D, effective November 6, 2007.
- The Cotton Valley Zone, Reservoir A was initially defined in Order No. 813-C, effective November 6, 2007.
- The Haynesville Zone, Reservoir A was initially defined in Order No. 813-B, effective November 6, 2007.
- Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 5/15/09;5/20/09 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.